

LFC Requester: _____

**AGENCY BILL ANALYSIS
2025 REGULAR SESSION**

SECTION I: GENERAL INFORMATION

Check all that apply:
Original X **Amendment** _____
Correction _____ **Substitute** _____

Date Feb 6, 2025
Bill No: Senate Memorial 2

Sponsor: Senator Pat Woods
Short Title: Creation of a Wildfire Study Group

Agency Name and Code Number: Energy, Minerals and Natural Resources Department - 521
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
n/a	n/a	n/a	n/a

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
n/a	n/a	n/a	n/a	n/a

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	n/a	n/a	n/a	n/a	n/a	n/a

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
 Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: SM2 directs the legislative council to create a study group to include stakeholders with the purpose of studying, developing and making recommendations for a comprehensive statewide approach to address, avoid and mitigate wildfires, including recommendations for necessary funding and proposed legislation. The memorial lists six study topics:

1. identifying areas at most risk from catastrophic wildfires;
2. ensuring emergency response plans are developed, identifying best practices and investments to mitigate risk and focus on vegetation management;
3. providing direct and effective outreach for wildfire mitigation policies, investments and weather related causation;
4. facilitate collaboration among utilities, first responders, emergency management and incident response, government agencies and Indian nations, tribes and pueblos, during wildfires;
5. identifying support mechanisms for affected communities, individuals, businesses and utilities in the aftermath of wildfire devastation and restoration of infrastructure;
6. and proposing public policies to support safe, sustainable and affordable utility service to residents and businesses before, during and after a catastrophic wildfire.

SM2 directs that the study group be composed of a minimum of eleven members, one each appointed from the following agencies and stakeholder entities: the forestry division of the energy, minerals and natural resources department; the energy conservation and management division of the energy, minerals and natural resources department; the state department of justice; the homeland security and emergency management department; the Indian affairs department; the public regulation commission; the New Mexico association of counties; the New Mexico municipal league; investor-owned New Mexico electric utility companies; and the New Mexico rural electric cooperatives; and a public member with expertise in wildfire science and technology appointed by the secretary of energy, minerals and natural resources.

SM2 directs the Energy, Minerals and Natural Resources Department, Forestry Division to coordinate the activities of the study group and to write the report with recommendations that are due to the appropriate interim legislative committee by November 1, 2025.

FISCAL IMPLICATIONS

SM2 will require staff time for the Energy, Minerals and Natural Resources Department, Forestry Division to coordinate the activities of the study group and write a report with recommendations.

SIGNIFICANT ISSUES

All the study topics in SM2 are currently or soon will be addressed through other task forces or planning processes across several agencies. The Fire Planning Task Force [68-2-34 NMSA 1978] generates wildfire risk maps and approves county and municipality Community Wildfire Protection Plans. They publish an annual Communities at Risk Report that is provided to the legislature by December 15 of each year.

The Forestry Division operates under a 10-Year Forest Action Plan with strategies to address wildfire risk and vegetation management in utility rights of ways. This plan will have a five-year review and update in FY26.

The Public Regulation Commission currently has an inquiry open (22-00154-UT) to review public utilities' vegetation management plans and procedures. The Forestry Division has been involved in this matter and has submitted comments in response. Furthermore, in January 2025, several interested parties including Public Service Company of New Mexico, Southwestern Public Service Company and others filed a joint motion requesting that the Commission hold a series of informational workshops on wildfire mitigation. In addition to being informative, these workshops may also help the Commission determine if a rulemaking process or other directives for regulated utilities are appropriate. The movants specifically requested that both the Forestry Division and Department of Homeland Security be invited to participate.

The Department of Homeland Security and Emergency Management has an all-hazard risk plan for the state and works with counties to develop county-wide all hazard risk plans. Wildfire responders are highly organized and have structured processes for ensuring communication during fire incidents.

At the statewide level, the Southwest Wildfire Coordinating Group in FY25 reached out to investor-owned utilities and requested briefings and coordination in regard to public safety power shutdown procedures.

Finally, the Energy, Minerals and Natural Resources Department will be conducting a quadrennial energy review (QER) and planning process in FY26. The QER process will pull together the study topics listed in SM2 that are currently mid-flight across agencies to address any gaps in understanding and propose public policies to support safe, sustainable and affordable utility service to residents and businesses before, during and after a catastrophic wildfire.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB281 Rural Electric Cooperative Wildfire Liability Act is also sponsored by Senator Woods and will mandate action to address many of the topics raised for study in SM2.

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

SB281

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Even if SM2 is not enacted, electric utilities will have an opportunity to engage in other existing planning processes.

AMENDMENTS